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C O N F I D E N T I A L SECTION 01 OF 02 YAOUNDE 000961

SIPDIS

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TAGS: [CM](#) [ECON](#) [EFIN](#) [KCOR](#) [PREL](#)

SUBJECT: BANK OF CENTRAL AFRICAN STATES (BEAC) SCANDAL
INVESTIGATION GATHERS STEAM

REF: A. YAOUNDE 147

[¶](#)B. YAOUNDE 608

[¶](#)C. LIBREVILLE 467

Classified By: Pol/Econ Chief Scott Ticknor for reasons 1.4 (d) and (e)

[¶](#)1. (C) Summary: The Vice-Governor at the Bank of Central African States (BEAC) recently summarized to Poloff the status of a major corruption investigation. The corruption scandal initially focused on the placement of a dubious investment in French bank Societe Generale (Ref A) and led to a probe of massive embezzlement at BEAC's Paris office (Ref B) and highly visible arrests in Gabon (Ref C). The malfeasance does not appear to be limited to Gabonese officials, but extends to other CEMAC nationals, Moroccans, and, possibly, French politicians. The investigation appears to be advancing transparently so far, with French police reportedly pursuing leads in Paris and the BEAC posting key audit documents on its website. According to the Vice-Governor of BEAC, the new Gabonese BEAC governor is well regarded and his appointment will probably lead to the eventual rotation of the BEAC governorship. End Summary.

Air France Vacations and Fraudulent Medevacs

[¶](#)2. (U) Posted on the BEAC's website, independent audit reports show that from 2004 to 2008 BEAC Paris officials wrote fraudulent checks to Air France for \$260,000 worth of tickets for 37 people completely unknown and unconnected to the BEAC or its business. The amount of fraudulent expenses out of the BEAC's Paris office budget was approximately four times the amount of legitimate withdrawals over the period 2004 to 2007. The auditors estimate the BEAC Paris office paid more than \$6 million for fraudulent &medical evacuations.⁸ In all, over \$36 million is believed to have been looted from the BEAC's Paris office by its own bureaucrats. But \$36 million may not be the limit of the corruption; the auditors point out they have found 858 fraudulent checks each over 10,000 Euros, but they have not been able to examine the scanned records for checks of less than 10,000 Euros.

Web of Embezzlement Not Limited to Gabonese

[¶](#)3. (C) BEAC Vice-Governor Rigobert Roger Andely explained to Poloff on November 3 the complicated relationships and methods of corruption among the BEAC's Paris office officials. Producing a list of beneficiaries of fraudulent checks, he pointed out the ties between the beneficiaries and the Bongo regime, the shell companies, and the shareholders behind the companies. For example, Andely pointed out that Jean Pierre Oyimba, the Chief of Staff of Gabonese President Ali Bongo Ondimba and recipient of four fraudulent checks

worth approximately \$144,000, is a shareholder in EPM Consulting Group, a shell company that was itself the recipient of 60 fraudulent checks worth over \$1.6 million. Other shareholders in the shell company include former BEAC accountant Armand Nzamba and Andre Oyini, both members of Ali Bongo,s Bateke tribe. Chair Abdelatif, a Moroccan, benefited from 19 fraudulent checks worth over \$700,000, a demonstration, in Andely,s opinion, of Omar Bongo,s ties to Moroccan politics. He said Mathias Dzon, an opposition party leader in Brazzaville, was the beneficiary of five fraudulent checks worth approximately \$128,000. Andely reiterated his belief that money was funneled into French politics through some of these shell corporations and middlemen.

Where Will the Investigation Lead?

14. (C) Andely said he feels personally embarrassed about the BEAC,s lax accounting controls. He said he was doing everything he could to make sure the scandal was properly investigated. He has insisted all the reports by outside auditors, even past reports months old, be placed on the BEAC,s website to make the investigation as transparent as possible. He also said that in Paris Captain LeGuen of the anti-fraud unit of the French police is actively investigating the matter. He gave poloff copies of LeGuen,s letters requesting interviews on November 4 with seven alleged offenders, including Maurice Moutsinga, Mathias Dzon, Armand Renamy, Jean Pierre Oyiba, and Andre Oyini. French police have also reportedly searched Ndjambe,s Paris apartments and seized his assets.

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New BEAC Governor May Lead to Change in &Fort Lamy8 Consensus

15. (C) Andely believes Gabon,s appointment of Barro Chambrier (Ref C) to fill the remainder of the over five years left in Philibert Andzembe,s term is a good move. Chambrier is generally regarded as competent and honest, according to Andley, who opined that allowing Gabon to appoint someone to fill out the term will also probably form the basis of a compromise that will result in a rotation of the BEAC governorship among the six CEMAC states. Such a solution will alter the so-called &Fort Lamy8 consensus, the 1973 agreement on the relationships and powers of the CEMAC states that originally allowed BEAC,s headquarters to be in Yaounde and the Governorship to be controlled by Gabon.

16. (C) Embassy Libreville notes that local Gabonese newspapers are reporting that Jean-Pierre Oyiba has just resigned as Bongo,s Cabinet Director for &ical reasons and to preserve the good governance promoted by President Bongo.⁸ Bongo is fully supporting the BEAC investigation and there are rumors that more Gabonese BEAC officials will be arrested or lose their jobs. The Alexandre Barro Chambrier appointment as Governor is apparently on hold until the BEAC heads of state meet later this month.

Comment

17. (C) The BEAC appears to be taking the investigation seriously, but its reputation has already been severely tarnished and it remains to be seen how committed the BEAC country leaders are to a thorough investigation. Cameroonian are watching the investigation closely as it implicates classic &France-Afrique,⁸ but so far, no significant Cameroonian involvement has been discerned. The French police investigation will be sensational to the Cameroonian public, especially if in fact any French politicians of note are linked. Andely,s approval of Gabon,s appointment of Chambrier bodes well for the institution. Andely has not been implicated in any

wrongdoing in the audit reports and appears to be driving an honest investigation. End Comment.

¶8. (U) This message was cleared by Embassy Libreville.
GARVEY